UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GeBBS HEALTHCARE SOLUTIONS, INC.,	:	Civil Action No.
Plaintiff,	:	
-against-	:	**COMPLAINT FOR BREACH OF CONTRACT**
ORION HEALTHCORP, INC.,	:	
Defendant.	:	**DEMAND FOR JURY TRIAL**

Plaintiff GeBBS Healthcare Solutions, Inc., by its attorneys Lathrop & Gage LLP, brings this Complaint against Defendant Orion HealthCorp, Inc., and alleges as follows:

1. This case concerns breach of a written contract whereby the Plaintiff fully performed certain services pursuant to a written contract and the Defendant systematically failed and refused to pay significant amounts due and owing to the Plaintiff.

PARTIES

2. GeBBS Healthcare Solutions, Inc. ("GeBBS") is a New Jersey corporation having its principal place of business in California. GeBBS is in the business of providing revenue cycle management, insurance billing, patient access, and health information management services to health care providers. GeBBS is a well-respected and multiple-award-winning contributor in the health services industry.

3. Orion HealthCorp, Inc. ("Orion") is a Delaware corporation having, on information and belief, its principal place of business in Georgia. Orion is in the business of providing revenue cycle management and practice management services in the health care industry.

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JURISDICTION AND VENUE

4. This Court has jurisdiction pursuant to 28 U.S.C. § 1332, in that GeBBS is a citizen of the States of New Jersey and California, and Orion is a citizen of the States of Delaware and Georgia, and the amount in controversy, exclusive of interest and costs, exceeds $75,000. This Court has personal jurisdiction over the parties based upon their consent thereto, and because multiple business meetings regarding the formation and amendment of the operative written contract, and aspects of the performance thereof, took place in New York, New York.

5. Venue in this Court is proper pursuant to the consent of the parties thereto, and pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to the claims set forth herein took place in New York, New York, and because multiple business meetings regarding the formation and amendment of the written contract, and aspects of the performance thereof, took place in New York, New York.

6. Jurisdiction and venue in this Court is also proper pursuant to the written Addendum 3 To Master Services Agreement ("Addendum 3") by and between GeBBS and Orion, Section 9(b) of which provides as follows:

> "Jurisdiction. Each Party irrevocably consents and agrees that any legal action, suit or proceeding against either of them arising out of, relating to or in connection with this [contract] or disputes relating hereto shall be brought only in United States District Court for the Southern District of New York, or if such court does not have jurisdiction, in the courts of the State of New York located in New York County, and hereby irrevocably accepts and submits to the exclusive jurisdiction of the aforesaid courts, with respect to any such action, suit or proceeding."

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BACKGROUND TO THE DISPUTE

The Original Agreement and Amendments

7. On or about June 22, 2006, GeBBS predecessor GeBBS Healthcare Solutions and Orion predecessor RMI Physician Services Corporation ("RMI") entered into a written Master Services Agreement (the "Original Agreement"), pursuant to which GeBBS Healthcare Solutions would provide revenue cycle management services to RMI.

Addendum 3 Supersedes All Prior Agreements

8. The Original Agreement underwent multiple amendments and assignments of rights and interests, the end product of which was the negotiation and execution of Addendum 3 by and between GeBBS and Orion.

9. Addendum 3 was executed by GeBBS and Orion on or about October 25, 2013 and became effective on April 1, 2014.

10. Section 9(k) of Addendum 3 provides that Addendum 3 supersedes all prior agreements and amendments (emphasis added):

> "Integration. This Addendum 3 (including any exhibits, schedules, links to Internet websites, addenda and amendments hereto and SOWs hereunder, all of which are and shall be deemed to be incorporated in, and part of, this Addendum 3) sets forth all the promises, covenants, agreements, conditions and understandings between the Parties, and ***supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied, oral or written, except as herein contained***."

11. Section 9(m) of Addendum 3 further provides that "[i]n the event there is a conflict between the terms and conditions contained in this Addendum 3 and the terms and conditions contained in the Agreement, the terms and conditions contained in this Addendum 3 shall prevail."

12. Thus, Addendum 3 is the controlling written agreement by and between GeBBS and Orion, and sets forth the rights and obligations at issue in this case.

Summary of Addendum 3

13. Pursuant to Section 2 of Addendum 3, Orion retained GeBBS to provide certain revenue cycle management services for Orion's clients (the "Services").

14. Pursuant to Section 6 of Addendum 3, Orion agreed to pay GeBBS 28% of the revenue Orion received arising from the Services performed by GeBBS.

15. Pursuant to Section 4 of Addendum 3, the term of Addendum 3 began as of April 1, 2014 and extends until April 1, 2016 unless terminated in accordance with Section 5 of Addendum 3.

16. In pertinent part, Section 5 of Addendum 3 provides that if Orion fails to make payment to GeBBS when payment is due, "and does not cure the default within ten (10) days after receiving written notice of the default, then GeBBS may, by giving written notice to [Orion], terminate this Addendum 3, and cease providing Services, as of a date specified in the notice of termination."

17. Addendum 3 provides that the governing law of any disputes arising therefrom is the law of the State of New York:

> "Governing Law. This Addendum 3 and any claim or dispute arising out of or related to this Addendum 3 or the transactions contemplated hereby shall be governed by and construed in accordance with the laws in effect in the State of New York, without giving effect to its conflicts of law principles."

GeBBS Provides Services to Orion and Orion Refuses to Pay

18. Up to the date of December 21, 2015, GeBBS performed the Services pursuant to Addendum 3.

19. Orion never provided to GeBBS any written notice of dispute related to the Services provided by GeBBS.

20. Despite GeBBS's full and complete performance of its obligations under Addendum 3, Orion underpaid or refused to pay dozens of invoices issued by GeBBS.

21. For example, as of December 9, 2015, some sixty-four (64) invoices were either underpaid or entirely unpaid and delinquent. As of that date, the sum of the amounts due and owing to GeBBS was $777,022.05, with additional amounts not-yet-invoiced for November and December of 2015.

GeBBS Provides Notice of Default

22. Accordingly, on Wednesday, December 9, 2015, GeBBS provided written notice of default to Orion via facsimile and certified mail (the "Notice of Default"). The Notice of Default set forth the amount owing, requested immediate payment of the amount owing, and indicated that "[f]ailure to make the payments on time and in full by 5:00 PM EST December 21st 2015 or to arrange for payment in a manner satisfactory to GeBBS likely will force GeBBS to terminate the Agreement and to cease all services as of December, 22nd 2015 in accordance of [sic] with section 5(c) of Addendum 3."

23. Pursuant to Section 9(i) of Addendum 3, such notice was effective no later than Thursday, December 10, 2015.

24. Orion provided no written response to the Notice of Default. Instead, Orion made only a partial payment in the amount of $166,266.85, still leaving dozens of invoices unpaid and outstanding, and still leaving a shortfall of $610,755.20.

25. On December 21, 2015, pursuant to Section 5(c) of Addendum 3, GeBBS provided written notice that it would terminate the Services (the "Notice of Termination") effective at the close of business on Monday, December 21, 2015.

26. GeBBS did terminate all Services, in compliance with the notice required by, and pursuant to, Section 5(c) of Addendum 3, as of Tuesday, December 22, 2015. Thus, GeBBS fulfilled its obligation to provide at least ten (10) days written notice of the termination of Services.

27. To date, the amounts invoiced and due and payable to GeBBS are the sum of **$1,064,000**, including those amounts due and owing for the Services performed in November and December of 2015.

28. To date, Orion has failed and refused to pay a penny of the amount outstanding.

FIRST CAUSE OF ACTION

(Breach of Contract against Orion)

29. GeBBS hereby incorporates by reference the allegations of paragraphs 1 through 28 as though fully set forth herein.

30. As set forth above, GeBBS and Orion entered into Addendum 3 on or about October 25, 2013.

31. GeBBS complied with and fully performed all obligations and requirements set forth in Addendum 3.

32. Orion breached Addendum 3 by, despite repeated demand, failing and refusing to pay GeBBS in full for the provision of the Services pursuant to Addendum 3.

33. As a result of Orion's breach of Addendum 3, GeBBS has been damaged in an amount no less than **$1,064,000**, plus interest, attorneys' fees and costs.

WHEREFORE, GeBBS requests that this Court enter judgment in its favor and against Orion, and grant the following relief:

a) a declaratory judgment that GeBBS was empowered to terminate Addendum 3 as a result of Orion's breach of its obligation to compensate GeBBS;

b) a declaratory judgment that GeBBS provided timely and proper notice of termination of services pursuant to Addendum 3;

c) damages for Orion's breach of Addendum 3 in the amount of **$1,064,000**, together with interest thereon;

d) attorneys' fees and costs; and

e) such other and further relief as the Court deems just and appropriate.

Dated: Kansas City, Missouri.
March 23, 2016

Respectfully submitted,

By: /s/ James Moloney

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